

Field Report

Date: June 20, 2011

Weather: Overcast, Light Wind Westerly 0-1 kts.

Project: Gustavus Bulk Fuel Project, Phase 2

Contractor: Western Marine Construction

Observations/ Comments

John Conway, CMG.

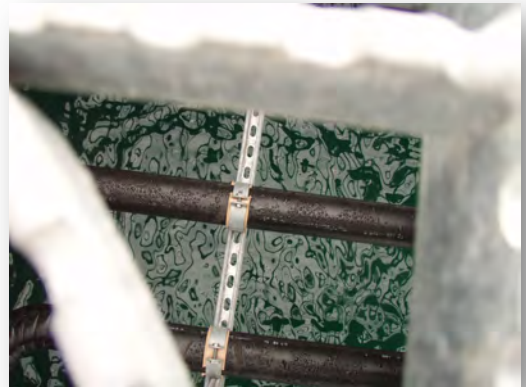
Arrived on site at 10:45 am, met Kriss Hart and Kathy Lochman of Western Marine Construction (WMC) and began punchlist/substantial completion inspection at the site. Departed jobsite at 12:30pm.

Construction Status/Progress

Overall the Phase2 Bulk Fuel pipeline project is substantially complete. I would estimate completion at 95% or higher with only minor completion items left to be done. Some of the final work was in progress at time of inspection and the planned completion of those items was estimated to be only 2 days.

Additional details, photographs and a punchlist of open items are listed below.

Example photographs are presented to illustrate a completed pipe support assembly. There was only one area where the pipe clamps were not installed between Bent 12-13. WMC had not installed the clamps because longer bolts were needed to accommodate the increased diameter of the pipe created by the heat-shrink coating at a weld joint. Otherwise all clamps were correctly installed at each pipe support.



View through grating of completed pipe clamp support





**Blind Flange for Future Fuel Dispensing Option.
Paint exposed pipe and flanges, install Valve per
1/M4.**



**Transition from UG pipe to suspended pipe at
Bents 1-2**



Spare Communications Conduits per 7/M2 at Bent 1.



Spare Communications Conduits per 7/M2 at Beach Vault



Valve Installation @ Beach Vault



Marine Header w/ Spill Basin. Installation in progress.

Substantial Completion Punchlist

Per agreement with Kathy Lochman, WMC CQC, completed punchlist items will be closed with the submission of photograph's indicating completion, where applicable.

1. Install piping support clamps at piping supports between Bents 12-13.
2. Remove temporary support at Bent 1.
3. Complete Marine Header installation, painting of exposed steel with color code paint, install signage. Signage was verified as on-site.
4. Grout pipes at grating per 2/M4.
5. Paint piping at exposed steel areas per color code. Marine Header, 2" Future Valve/Tees, Beach Vault.
6. Remove scaffolding, finalize general site cleanup already in progress.
7. Submit final piping pressure test results through COE.
8. Provide photographs of piping/trench installation at Beach.